

# Repayment of Student Loans for Teachers Frequently Asked Questions

The information provided in this document has been compiled from the following sources: [KDE Website Teacher Loan Forgiveness Page](#); [Federal Student Aid Website Teacher Loan Forgiveness Page](#); [Teacher Loan Forgiveness Application](#); [Ready Set Repay Site](#)  
(Ready Set Repay is the default prevention initiative of the Oklahoma College Assistance Program)

## **There are several opportunities for teachers to receive loan forgiveness or cancellation:**

- [Teacher Loan Forgiveness](#)
- [Teacher Loan Cancellation](#)
- [The TEACH Grant](#)
- [Public Service Loan Forgiveness](#)

## **TEACHER LOAN FORGIVENESS**

- 1. Q: Who qualifies for teacher loan forgiveness?** (*Source: Teacher Loan Forgiveness Application*)  
**A:** Highly qualified teachers who have taught full-time for 5 complete and consecutive academic years in certain elementary & secondary schools, as well as educational service agencies with a high concentration of students from low-income families. This includes special education teachers as well as professionals who provide instruction for students, such as speech pathologists.
- 2. Q: Who does not qualify for teacher loan forgiveness?** (*Source: Federal Site & TLF Application*)  
**A:** School librarians, teacher's assistants, counselors, paraeducators, and other administrative staff.
- 3. Q: What is the definition of a complete academic year?** (*Source: Teacher Loan Forgiveness Application*)  
**A:** A complete academic year can be defined several ways:
  - 1 complete school year at the same school
  - 2 complete and consecutive half years at different schools
  - 2 complete and consecutive half years from different school years, at either the same school or different schools
  - A minimum of 9 months for schools operating on a year-round program of instruction
- 4. Q: How much money can I receive?** (*Source: KDE & Federal Sites*)  
**A:** Between \$5,000 and \$17,500 (See questions 6 and 7 for details on the loans which qualify)
- 5. Q: What determines how much money I get?** (*Source: Federal Site & TLF Application*)  
**A:** The amount you receive is based upon when you began your 5 consecutive years of teaching and what you taught:
  - If your qualifying teaching service began before Oct. 30, 2004:
    - You may receive up to \$5,000 if you were...
      - A full-time elementary school teacher who demonstrated knowledge and teaching skills in reading, writing, mathematics, and other areas of the elementary school curriculum
      - A full-time secondary school teacher who taught in a subject area that was relevant to your academic major
    - You may receive up to \$17,500 if you were...
      - A highly-qualified full-time mathematics or science teacher in an eligible secondary school
      - A highly-qualified special education teacher whose primary responsibility was to provide special education to children with disabilities, and you taught children with disabilities

that corresponded to your area of special education training and have demonstrated knowledge and teaching skills in the content areas of the curriculum that you taught

- If your qualifying teaching service began after Oct. 30, 2004:
  - You may receive up to \$5,000 if you were...
    - A highly-qualified full-time elementary or secondary school teacher
  - You may receive up to \$17,500 if you were...
    - A highly-qualified full-time mathematics or science teacher in an eligible secondary school
    - A highly qualified special education teacher whose primary responsibility was to provide special education to children with disabilities, and you taught children with disabilities that corresponded to your area of special education training and have demonstrated knowledge and teaching skills in the content areas of the curriculum that you taught

**6. Q: Is any type of loan eligible for forgiveness?** (Source: KDE and Federal Sites & TLF Application)

**A:** No. Direct Subsidized and Direct Unsubsidized Loans as well as Subsidized Federal Stafford Loans and Unsubsidized Federal Stafford Loans are eligible. PLUS Loans are *not* eligible. Federal Perkins Loan participants could qualify for Teacher Loan Cancellation. Any loan received under the William D. Ford Federal Direct Loan Program is eligible for Public Service Loan Forgiveness.

- You must not be in default on your loans, unless you have made satisfactory repayment arrangements with the loan provider
- Loans taken out before October 1, 1998 are not eligible for teacher loan forgiveness. Any loans taken out prior to October 1, 1998 must be paid off in order to receive forgiveness for loans taken out after that date.

**7. Q: Do I qualify for loan forgiveness if I've taught at multiple schools?** (Source: TLF Application)

**A:** Yes, as long as each school qualifies for funds under Title I and as long as it was for 5 consecutive years. Be sure to complete section 5 of the application for each school.

**8. Q: How many times can I receive loan forgiveness?** (Source: KDE and Federal Sites & TLF Application)

**A:** One time only

**9. Q: How do I know if my school qualifies for this program?** (Source: KDE and Federal Sites & TLF Application)

**A:** Even if your school doesn't have a Title I program, it could still qualify as an eligible school (not every school that qualifies ends up with a program). You can check the [Teacher Cancellation Low Income Directory](#) to see if your school is eligible. How to use the TCLI:

- On the main page, scroll down until you see the SEARCH button. Check the login box prior to selecting SEARCH. Although the box must be checked to conduct a search, you will not be asked to log in.
- Enter your school's information (state, school year, school name, and location) \*Location refers to the name of the district, not the city/town
  - Check your school's eligibility for the *first year* you taught there
  - To see all schools in a given district, leave the school name blank
  - After entering your information, be sure to click the SEARCH button (rather than pressing ENTER, which seems to keep the site from conducting a proper search)

**10. Q: My school isn't in the TCLI Directory, but I think it should be. What do I do?**

**A:** Have an administrator complete [the Teacher Loan Forgiveness Survey](#) or email [erin.sudduth@education.ky.gov](mailto:erin.sudduth@education.ky.gov)

**11. Q: What if my school was eligible one year, but not the next?** (Source: TLF Application)

**A:** If your school meets the requirements for at least one year of your teaching, but not subsequent years, your subsequent years at that school may be counted toward the required 5 complete and consecutive years of academic teaching.

**12. Q: I've already paid off some/all of my loans, can I get a refund in place of loan forgiveness?** (Source: Ready Set Repay Site)

**A:** Unfortunately, no

**13. Q: What if I hold multiple loans with multiple lenders?** (Source: Federal Site & TLF Application)

**A:** Complete a separate application for each lender.

**14. Q: How should I submit my loan forgiveness application?**

**A:** While a preferred submission method is not stated on the website or application, keep in mind that the document does contain sensitive personal information such as the borrower's Social Security Number and using standard mail may be the most secure option.

**15. Q: Where do I send my completed application?** (Source: Federal Site & TLF Application)

**A:** The application should be sent directly to the company holding the loan. It is advisable to call the company or check their website to determine exactly where to send it.

**16. Q: Do I have to teach in Kentucky to qualify for teacher loan forgiveness?**

**A:** No, teacher loan forgiveness is a federal program and is open to teachers in all states. The TCLI Directory contains the low-income status for all schools as far back as the 1997-98 school year.

**17. Q: What do I do if I found my school in TCLI but the information, such as grade span, is incorrect?**

**A:** Please email [erin.sudduth@education.ky.gov](mailto:erin.sudduth@education.ky.gov)

**18. Q: Why was my application for loan forgiveness rejected?**

**A:** There could be a number of reasons, some lenders will highlight a portion of the application indicating what the issue is. You can always call your lender and request an explanation. You are permitted to re-apply.

**19. Q: Is there a way to determine whether or not a school will be eligible for the next school year?**

**A:** Checking the school's poverty percentage on the school/district website or School Report Card can provide some indication; for example, a school serving 85% low-income one year is not likely to drop to 30% the following year. However, there is no guarantee that a school will meet the qualifications from year to year.

## TEACH GRANT

**1. Q: What is the difference between a TEACH Grant and teacher loan forgiveness?** (Source: Federal Site)

**A:** The TEACH Grant provides grants of up to \$4,000 per year to students if they agree to teach **in a "high need field"** for four complete academic years (within a period of 8 years) at qualifying low-income schools.

**2. Q: Do all colleges participate in the TEACH Grant program?** (Source: College & University Websites)

**A:** No, consult the financial aid office at your college or university to find out if they participate. You can often find the information on their website. Each school determines which of the programs they offer are TEACH-Grant-eligible. Just because a program is eligible at one school does not mean it will be eligible at a different school.

**3. Q: What happens if I don't complete my service for a TEACH Grant? (Source: Federal Site)**

**A:** All funds that you received through the grant will be converted to a Direct Unsubsidized Loan. You must repay this loan *with interest* from the date the grant was paid out.

**4. Q: What are the requirements for participating in the TEACH Grant program? (Source: Federal Site)**

**A:** There are more requirements for the TEACH Grant than with general teacher loan forgiveness:

- You must be working as a qualified teacher
- You must teach in a high-need field, as identified by the federal government in their annual [Teacher Shortage Area Nationwide Listing](#)
- You must be working at a qualifying low-income school. Check the [Teacher Cancellation Low Income Directory](#) to see if your school is eligible (see Q8 for instructions).
- Complete the FAFSA
- Receive counseling
- Sign a TEACH Grant Agreement to Serve (ATS)

**5. Q: My school was low-income, and now it's not. How does this affect my TEACH Grant? (Source: Federal Site)**

**A:** If a school qualifies as low-income for all or part of one year, the subsequent school years can be counted towards satisfying the TEACH Grant.

**6. Q: What type of documentation of my service do I need to provide for the TEACH Grant? (Source: Federal Site)**

**A:** You must keep your TEACH Grant servicer informed of your progress toward satisfying your service obligation

- Provide documentation of your teaching service after each completed year
- [Setting up an account at My FedLoan Servicing](#) allows you to monitor your progress
- FedLoan Servicing monitors and tracks the progress of TEACH Grant recipients for the US Department of Education.
  - Contact FedLoan Servicing      M-F      8 am – 9 pm      1-800-699-2908

**7. Q: What if I do not meet the requirements of the TEACH Grant Program and my grant is converted to a Direct Unsubsidized Loan? (Source: Federal Site)**

**A:** While you can't "undo" this action, you may still qualify for teacher loan forgiveness.

## PERKINS LOAN CANCELLATION

**1. Q: Who qualifies for Perkins Loan Cancellation? (Source: Federal Site)**

**A:** Teachers who have a loan from the Federal Perkins Loan Program who teach at low-income schools or teach in certain subject areas.

- See the [full list of occupations that may be eligible for Perkins Loan Cancellation](#)

**2. Q: What are the requirements for Teacher Loan Cancellation? (Source: Federal Site)**

**A:** There are several ways to qualify for Teacher Loan Cancellation:

- Teachers who teach in schools serving students from low-income families
- Special Education teachers, including teachers of infants, toddlers, children, or youth with disabilities
  - You must have an official at the school certify that you are a full-time special education teacher on the loan cancellation form or on an official letter form the school bearing the school's seal or letterhead.

- Teachers of mathematics, science, world languages, bilingual education, or any other field of expertise determined by a state education agency to have a shortage of qualified teachers in that state. [Teacher Shortage Areas Nationwide Listing](#)
- If you are licensed, certified, or registered by the appropriate state education agency for providing the following

**3. Q: Who is considered a teacher? (Source: Federal Site)**

**A:** A teacher is someone who provides students direct classroom teaching, or classroom-type teaching in a non-classroom setting, or educational services directly related to classroom teacher (school librarian, guidance counselor). You do not need to be certified or licensed but your school must consider you a full-time professional for the purposes of salary, tenure, retirement benefits, etc. Supervisors, administrators, researchers, or curriculum specialists are not considered teachers unless they provide direct and personal educational services to students.

**4. Q: How long must you teach in order to qualify? (Source: Federal Site)**

**A:** Full-time for a full academic year or its equivalent. An academic year or its equivalent is defined as one complete school year or two half-years that are from different school years. The two half-years must be complete and consecutive, excluding summer sessions, and must generally fall within a 12-month period.

- Simultaneously teaching part-time at two or more schools is permitted, if an official at one of the schools certifies that you taught full-time for a full academic year.

**5. Q: What about private school teachers or teachers at the preschool or prekindergarten level? (Source: Federal Site)**

**A:**

- **Private School:** Your loan is eligible for cancellation if the private school has established its nonprofit status with the IRS and if the school is providing elementary and/or secondary education according to state law.
- **Preschool/Prekindergarten:** Your loan is eligible for cancellation only if the state considers your program to be a part of its elementary education program. A low-income school designation is not enough to qualify for cancellation.
  - In Kentucky, preschool students, teachers, and classrooms are considered part of the public school system. Preschool teachers certified IECE and recognized by EPSB should be eligible for Teacher Loan Forgiveness.

**6. Q: How do I apply for cancellation? (Source: Federal Site)**

**A:** Request the appropriate forms from the office that administers the Federal Perkins Loan program at the school holding your loan. Your school may also request other documentation to prove that you qualify for cancellation.

**7. Q: Who determines whether someone qualifies for loan cancellation? (Source: Federal Site)**

**A:** The school determines your eligibility. Their decision cannot be appealed by the U.S. Department of Education.

**8. Q: How much can be cancelled? (Source: Federal Site)**

**A:** Up to 100% of the loan may be cancelled for teaching service, in the following increments:

- 15% canceled per year for the first and second years of service
- 20% canceled for the third and fourth years
- 30% canceled for the fifth year

\*Each amount canceled per year includes the interest that accrued during the year

**9. Q: How long does this program last?** *(Source: Federal Site)*

**A:** Undergraduate borrowers won't be able to take out Perkins loans after September 30, 2017 and graduate borrowers only had until September 30, 2016 to use the program. [The letter on the wind-down of the Federal Perkins Loan Program](#) will provide more information.

## **PUBLIC SERVICE LOAN FORGIVENESS**

**1. Q: Who qualifies for Public Service Loan Forgiveness?** *(Source: Federal Site)*

**A:** Individuals who work full-time for the government or a nonprofit (including schools) for at least 10 years. Only federal direct loans qualify—but if you have other types of student loans, you can consolidate them to become eligible. Consolidating loans resets the clock on qualifying payments.

**2. Q: Who does not qualify for Public Service Loan Forgiveness?** *(Source: Federal Site)*

**A:** Employers that do not qualify are: Labor unions, partisan political organizations, for-profit organizations, or non-profit organizations that are not tax-exempt under Section 501(c)(3) of the Internal Revenue Code and that do not provide a qualifying service. It is recommended that individuals interested in PSLF submit the [Employment Certification Form](#) on an annual basis.

**3. Q: What type of loans are eligible for Public Service Loan Forgiveness?**

**A:** Any loan received under the William D. Ford Federal Direct Loan Program is eligible for this forgiveness opportunity. Other loans which do not qualify (such as Perkins loans or Federal Family Education loans) may be eligible if they are consolidated into a Direct Consolidated Loan. Once the loans are consolidated, any payment made after the consolidation are considered qualifying payments.

**4. Q: What is the definition of “full-time”?** *(Source: Federal Site)*

**A:** If you meet your employer's definition of full-time or work at least 30 hours per week. If you are simultaneously employed part-time in more than one qualifying job, you may meet the full-time employment requirement if you work a combined average of at least 30 hours per week.

**5. Q: How much can be forgiven?** *(Source: Federal Site)*

**A:** 100% of your remaining federal student debt can be forgiven after you've made 120 on-time payments. They do not have to be consecutive payments (you can still qualify even if you've had periods of deferment or forbearance).

**6. Q: What is the definition of a “qualifying monthly payment”?** *(Source: Federal Site)*

**A:** A qualifying monthly payment is a payment which meets the following criteria:

- After October 1, 2007
- Under the qualifying repayment plan (all income-driven repayment plans qualify)
- For the full amount due as shown on your bill
- No later than 15 days after your due date
- While you are employed full-time by a qualifying employer
- Made only during periods when you are required to make a payment (Qualifying monthly payments cannot be made while your loans are in an in-school status, the grace period, a deferment, a forbearance, or a default).